Dominion Exploration & Production, Inc. 14009 Quail Springs Parkway, #600, Oklahoma City, OK 73134-2600



November 20, 2002

CONFIDENTIAL

Attn: Dianna Mason Utah Division of Oil & Gas Mining 1594 West North Temple, Suite 1210 Salt Lake City, Utah 84114-5801

Reference:

Exception to Location & Sitting of Well

Federal 2-29E, Section 29-10S-19E 750' FNL & 1653' FEL, NW/4 NE/4

Uintah County, Utah

Dear Ms. Mason:

Dominion Exploration & Production, Inc. is requesting an exception to Rule 649-3-2 for the above referenced well, due to topographic considerations. The well is greater than 920' from any other well capable of producing. Dominion Exploration & Production, Inc. is the only owner within a 460' radius from all points along the intended well bore.

If you should require additional information please feel free to contact me at (405) 749-5263.

Sincerely,

Dominion Exploration & Production, Inc.

Carla Christian

Regulatory Specialist

Enclosure

RECEIVED

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DIVISION OF OIL, GAS AND MINING

(December 1990)

Form approved.

UNITED STATES

Budget Bureau No. 1004-0136 Expires: December 31, 1991

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	AF	PLICA	TION FOR PE	RMIT TO	DRILL (OR DEEP	PEN		6. IF INDIAN, ALLOTT	EE OR TRIE	E NAME
1a. b.	TYPE OF WORK TYPE OF WELL	DRILL	\square	DEEP	EN 🗆				7. UNIT AGREEMENT	NAME	··
	OIL	GAS WELL	X OTHER		SING ZONE		MULTIPLE ZONE]	8. FARM OR LEASE N	IAME, WELL	NO.
2.	NAME OF OPERATOR								F. API NUMBER	ederal	2-29E
	ADDRESS AND TELEPHO		ninion Exploration	& Production	on, Inc.				43	142	34803
3.	14000	Quail S	prings Parkway, S	uite 600, Ol	klahoma C	ity, OK 73	134		10. FIELD AND POOL	OR WILDCA	Buttes
4.	At surface	or location clea		1653' FEL,	NW/NE	441969	6Y 39.923 1X -109.80	07	11. SEC., T., R., M., OR AND SURVEY OR A	BLK.	Duttes
	At proposed prod. zone						,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			29-10S	-19E
14.	DISTANCE IN MILES AND	DIRECTION FE	ROM NEAREST TOWN OR POS	T OFFICE*					12. COUNTY OR PARIS		13. STATE
15.	30.3 miles Sout		Ouray		118 NO OF 40	CRES IN LEASE		117 NO	Uinta OF ACRES ASSIGNED	ah	UT
	LOCATION TO NEAREST PROPERTY OR LEASE LIN (Also to nearest drig, unit lin	IE, FT.	750'		10. NO. OF AC	640		TO THIS WELL 40			
18.	DISTANCE FROM PROPO TO NEAREST WELL, DRIL	SED LOCATIO LING, COMPLI			19. PROPOSED DEPTH 20.			20. RO1	0. ROTARY OR CABLE TOOLS		
OR APPLIED FOR, ON THIS LEASE, FT. 1823'			İ.,	7,500' R							
21.	ELEVATIONS (Show wheth	er DF, RT, GR,	, etc.) 4864'		•				1-May-03		
23.	-	•		PROPOSED	CASING AN	D CEMENTIN	G PROGRAM			•	
	SIZE OF HOLE	G	RADE, SIZE OF CASING	WEIGHT	PER FOOT	SI	ETTING DEPTH		QUANT	TITY OF CE	MENT
	17 1/2"		13 3/8" H-40	4	8#		500'		4	65 sks	
	12 1/4"		8 5/8" J-55	3	32#		2,200'		1,	000 sk	<u>s</u>
	7 7/8"		5 1/2" Mav-80		17#	l	7,500'			480 s	ks
			ce Program and	_		•				NOV	2 2 2002
									Oll		SION OF

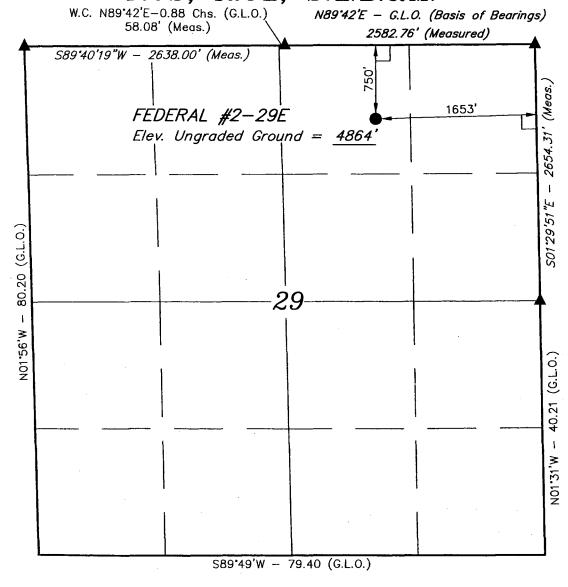
IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen give data on present productive zone and proposed new productive zone. If proposal is to drill or

deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout proventer prog	ram, if any.	
signed (Colla Christian TITLE Regulatory Specialist	DATE	11/20/02
(This space for Federal or State office use)		
PERMIT NO. 43-047-34803 APPROVAL DATE Application approval does not warrant or certify that the applicant holds legal of expectate title to those rights in the subject lease which would conditions of APPROVAL, IF ANY: BRADIEY G. HIII	d entitle the applicant	to conduct operations thereon.
BRADLEY G. HILL ENVIRONMENTAL SCIENTIST III	DATE	-27-02

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fradulent statements or representations as to any matter within its jurisdiction.

T10S, R19E, S.L.B.&M.



LEGEND:

__ = 90° SYMBOL

LATITUDE = 39'55'24" LONGITUDE = 109'48'06"

= PROPOSED WELL HEAD.

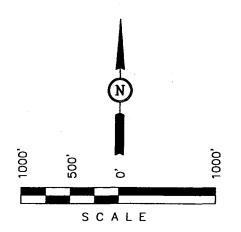
= SECTION CORNERS LOCATED.

DOMINION EXPLR. & PROD., INC.

Well location, FEDERAL #2-29E, located as shown in the NW 1/4 NE 1/4 of Section 29, T10S R19E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION LOCATED IN THE NE 1/4 OF SECTION 32, T10S, R19E, S.L.B.&M. TAKEN FROM THE MOON BOTTOM QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5321 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR REGISTRATION NO. 161319

REVISED: 11-19-02

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: DATE DRAWN: 4-5-01 4-24-01
D.K. G.S. C.G.	REFERENCES G.L.O. PLAT
WEATHER COOL	FILE DOMINION EXPLR. & PROD., INC.

DRILLING PLAN

APPROVAL OF OPERATIONS

Attachment for Permit to Drill

Name of Operator:

Dominion Exploration & Production 14000 Quail Springs Parkway, Suite 600

Oklahoma City, OK 73134

Well Location:

Address:

Federal 2-29E

750' FNL & 1653' FEL Section 29-10S-19E Uintah County, Ut

1. GEOLOGIC SURFACE FORMATION

Uintah

2 ESTIMATED DEPTHS OF IMPORTANT GEOLOGIC MARKERS

1 Officiation	Depui
Wasatch Tongue	3,680'
Green River Tongue	4,030'
Wasatch	4,180'
Chapita Wells	4,880'
Uteland Buttes	5,910'
Mesaverde	7,360'

3 ESTIMATED DEPTHS OF ANTICIPATED WATER. OIL, GAS OR MINERALS

<u>Formation</u>	<u>Depth</u>	Type
Wasatch Tongue	3,680'	Oil
Green River Tongue	4,030'	Oil
Wasatch	4,180'	Gas
Chapita Wells	4,880'	Gas
Uteland Buttes	5,910'	Gas
Mesaverde	7,360'	Gas

4 PROPOSED CASING PROGRAM

All casing used to drill this well will be new casing.

<u>Type</u>	<u>Size</u>	Weight	<u>Grade</u>	Conn.	Top	<u>Bottom</u>	<u>Hole</u>
Surface	13 3/8"	48.0 ppf	H-40	STC	0,	500'	17 ½"
Intermediate	8 5/8"	32.0 ppf	J-55	LTC	0'	2,200'	12 1/4"
Production	5 1/2"	17.0 ppf	MAV-80	LTC	0,	7,500	7 7/8"

5 OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL

B.O.P. pressure rating required is 5,000 psi working pressure. (Will use 5,000 psi B.O.P. Equipment). Pipe rams will be operated daily and blind rams as possible. From Intermediate pipe to total depth.

6 <u>MUD SYSTEM</u>

KCL mud system will be used to drill well.

An air mist may be used to drill until first water is seen.

0' - 500'

Air foam mist, no pressure control

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500' - 2.200'

Fresh water, rotating head and diverter, 500 psi working pressure.

2,200' - 7,500'

Fresh water/2% KCL/KCL mod sytstem.

7 BLOOIE LINE

An automatic igniter will not be installed on blooie line.

A 90 degree targeted bend will be installed on blooie line about 50' from wellhead.

The blooie line discharge will remain 100' from the wellhead.

8 AUXILIARY EQUIPMENT TO BE USED

A. Kelly Cock.

B. Full opening valve with DRILL PIPE connection will be kept on floor. Valve will be used when Kelly is not in string.

9 TESTING. LOGGING, AND CORING PROGRAMS TO BE FOLLOWED

A Drill Stem Test in the Wasatch Tongue is possible.

One electric line wire-log will be run from TD to surface.

The gamma ray will be left on to record from surface to TD.

Other log curves (Resistivities, Porosity, and Caliper) will record from TD to Surface casing.

A dipmeter, percussion cores, or rotary cores may be run over selected intervals.

10 ANTICIPATED ABNORMAL PRESSURES OR TEMPERATURES EXPECTED

No abnormal temperature or pressures are anticipated.

The formations to be penetrated do not contain known H₂S gas.

11 WATER SUPPLY

No water pipelines will be laid for this well.

No water well will be drilled for this well.

Drilling water for this will be hauled on the road(s) shown in Attachment No. 3.

Water will be hauled from:

Water Permit # 43-10447 Section 9, Township 8 South, Range 20 East

12 CEMENT SYSTEMS

A. Surface Cement:

Drill 17 1/2" hole to 500' and cement 13 3/8" to surface with 465 sks type 5, 2% Cacl2 + 1/4# Poly-E-Flakes. Top out if necessary type 5, 2% Cacl2.

B. Intermediate Casing Cement:

A Drill 12 1/4" hole to \pm 2,200', run and cement 8 5/8" to surface.

B Pump 20 bbls lightly water spacer followed by 5 bbls fresh water. Displace with any available water.

C Run 1" tubing in annulus to ± 200 ' and cement to surface.

D Note: Repeat Top Out until cement remains at surface.

E Casing to be run with: a) guide shoe b) insert float c) three (3) centralizers, one on each of first 3 joints d) stop ring for plug two joints off bottom e) bottom three joints thread locked f) pump job with bottom plug only.

					<u>Hole</u>	Cement	
<u>Type</u>	<u>Sacks</u>	Interval:	Density	<u>Yield</u>	Volume:	Volume:	Excess
Lead	500 Sx	0'-1,700'	11.5 ppg	2.81 CFS	701 CF	1,403 CF	100%
Tail	350 Sx	1,700' - 2,200'	15.8 ppg	1.17 CFS	220 CF	445 CF	100%
Top Out	150 Sx	0' - 200'	15.8 ppg	1.17 CFS	87 CF	176 CF	102% (If required)

Lead Mix:

Prem Lite II Cement, 10% Gel extender, 0.500 Sodium Metasilicate extender, 6 lb/sk Inert Course Grannular LCM: Kol Seal, 1/4 lb/sk Cellophane Flakes LCM, 3 lb/sk Silica Fume high strength additive: BA9O, 2% Calcium Chloride accelerator, 20.15 gps water

Pump Time $4\pm$ hours @ 90° F.

Compressives @ 106 °F: 24 Hour is 275 psi

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Tail Mix:

Class "G" Cement, 1/4 lb/sk Cellophane Flakes + 1% bwoc Calcium Chloride + 44.3% fresh water.

Pump Time:

2 1/2 Hours @ 90 °F.

Compressives @ 106 °F: 24 Hour is 2,125 psi

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Top Out:

Class "G" Cement, 1/4 lb/sk Cellophane Flakes + 1% bwoc Calcium Chloride + 44.3% fresh water.

C. Production Casing Cement:

A Drill 7 7/8" hole to ± 1 - 7,500', run and cement 5 1/2".

B Cement interface is at 4,000', which is typically 500-1,000' above shallowest pay.

C Pump 20 bbl Mud clean II unweighted spacer, followed by 20 Bbls fresh H20 spacer.

D Displace with 3% KCL.

Hole Cement Sacks Interval: **Density** Yield Volume: Volume: **Excess** $4,0\overline{00'} - 7,500'$ 480 sx 13.0 ppg 1.96 CFS 694 CF 935 CF

Note: Caliper will be run to determine exact cement volume.

Prem Lite II HIGH STRENGTH Cement, 1/4 lb/sk Cellophane Flakes LCMI, 3% Potassium Chloride clay inhibitor, 0.7% fluid loss additive FL-52, 0.7% retarder r-3, & 16.78 gps water

Pump Time:

3 1/2 Hours @ 154 °F.

Fluid Loss:

is 100 cc I 30 minutes.

Compressives 163 °F: 24 Hour is 1,950 psi

13 ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS

Starting Date:

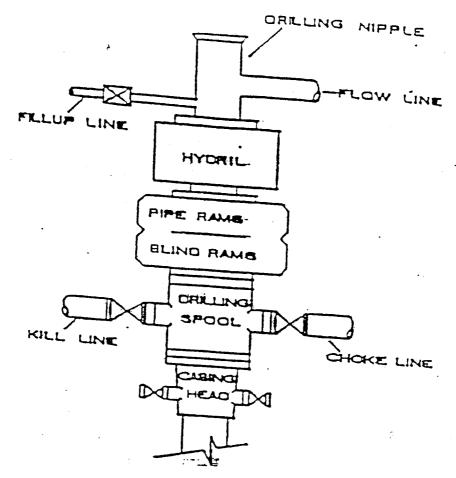
May 01, 2003

Duration:

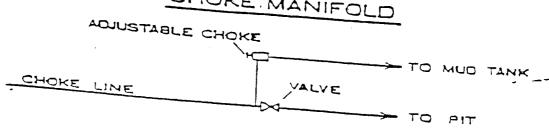
14 Days

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BOP STACK



CHOKE MANIFOLD



CONDITIONS OF APPROVAL FOR THE SURFACE USE PROGRAM OF THE APPLICATION FOR PERMIT TO DRILL



Company/Operator:	Dominion Exploration & Production, Inc.	;
		_

Well Name & Number: Federal 2-29E

Lease Number: <u>U-62232</u>

Location: <u>NW NE</u> Sec. <u>29</u> T. <u>10S</u> R. <u>19E</u>

Surface Ownership: BLM

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction of location and access

roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice - at least twenty-four (24) hours prior to spudding the well.

Casing String and - twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and Related - twenty-four (24) hours prior to initiating pressure equipment tests.

First Production
Notice
- within five (5) business days after new well begins
or production resumes after well has been off production for more than
ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM:



Multipoint Requirement to Accompany APD

- 1. Existing Roads describe the following and provide a legible map, labeled and showing:
 - a. Proposed wellsite as staked and access route to location, including distances from point where access route exists establish roads. (Actual staking should include tow directional reference stakes.) The proposed well site is located approximately 30.3 miles southeast of Ouray, Utah.
 - b. Route and distance from nearest town or locatable reference point, such as a highway or county road, to where well access route leaves main road. <u>See plat</u> for details.
 - c. Access road(s) to location color-coded or labeled. (See Topographic Map A & B for details.)
 - d. Plans for improvement and/or maintenance of existing roads. (Appropriate rights-of-way for off lease roads should be attached.)
 - 2. <u>Planned Access Roads</u> describe the following and provide a map of suitable scale indicating all necessary access roads (permanent and temporary) to be constructed or reconstructed, showing:
 - a. Length 0.3 miles
 - b. Width 30 foot right-of-way with 18 foot running surface maximum.
 - c. Maximum grades None
 - d. Turnouts None
 - e. Drainage design Dry Creek
 - f. Location and size of culverts and/or bridges, and brief description of any major cuts and fills N/A
 - g. Surfacing material (source) N/A
 - h. Necessary gates, cattleguards, or fence cuts and/or modification to existing facilities N/A

(New or reconstructed roads are to be centerline-flagged at time of location staking.)

All travel will be confined to existing access road rights-of-way.

Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: <u>Surface Operating</u> Standards for Oil and Gas Exploration and Development, (1989).

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

Right-of-Way Application needed. No

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The operator/lessee or his/her successor shall be responsible for all maintenance on cattleguards or gates associated with this oil and/or gas operation.

- 3. <u>Location of Existing Wells</u> describe the following and provide a map or plat of all wells within a 1 mile radius of the proposed well location showing and identifying existing:
 - a. Water wells None
 - b. Abandoned wells Two
 - c. Temporarily abandoned wells None
 - d. Disposal wells None
 - e. Drilling wells None
 - f. Producing wells RBU 5-21E
 - g. Shut-in wells None
 - h. Injection wells None

4. Location of Existing and/or Proposed Facilities

- a. On well pad: Show the following existing area facilities and dimensions to be utilized if the well is successfully completed for production (detail painting plans and color if applicable):
 - (1) Tank batteries
 - (2) Production facilities
 - (3) Oil gathering lines
 - (4) Gas gathering lines
 - (5) Injection lines
 - (6) Disposal lines
 - (7) Surface pits After the well is hydraulically fraced, the well will be flowed back into the surface pits. After first production, a 400 bbl tank will be installed to contain produced waste water. Plans are to run a 2" line from the separator to the 400 bbl tank.

(Indicate if any of the above lines are buried.)

- Off well pad: Same as above. Off lease flowlines may require rights-of-way or special use permits, check with the District Office Realty Specialist. (Include a diagram of the proposed attendant lines, i.e., flowlines, powerlines, etc., if off well pad location.)
 - (1) Proposed location and attendant lines shall be flagged off of well pad prior to archaeological clearance.
 - (2) Dimensions of facilities
 - (3) Construction methods and materials
 - (4) Protective measures and devices to protect livestock and wildlife

Note: Operator has option of submitting information under 4A and B, after well is completed for production, by applying for approval of subsequent operations.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire content of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

Tank batteries will be placed on the <u>West end of the location</u> All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone

color to match on of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is **Desert Brown**.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

5. Location and Type of Water Supply

- a. Show location and type of water supply, either by 1/4, 1/4 section on a map or by written description Sec 9-T8S-R20E No. 43-10447
- b. State method of transporting water, and show any roads or pipelines needed.
- c. If water well is to be drilled on lease, so state.

 *The operator will be responsible for acquiring the necessary permit to obtain water to be used for drilling activities.

6. Source of Construction Materials

- a. Show information either on map or by written description <u>Surface and subsoil</u> materials in the immediate area will be utilized to build the location
- b. Identify if from Federal or Indian (tribal or allotted) land. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.
- c. Describe where materials such as sand, gravel, stone, and soil material are to be obtained and used. No construction materials will be removed from Federal land.
 - *If fill materials are needed to construct roads or well sites, proper permits must be obtained from the Surface Management Agency, unless materials are obtained from a private source.
 - *A mineral materials application (is/is not) required.

7. Methods of Handling Waste Disposal

- a. Describe methods and location of proposed safe containment and disposal of each type of waste material, including:
 - (1) Cuttings bury in pit
 - (2) Sewage haul to sewer lagoon
 - (3) Garbage (trash) and other waste material haul to disposal
 - (4) Salts not used
 - (5) Chemicals non-toxic only; evaporate in pit

After first production, produced waste water will be confined to an unlined or lined pit or storage tank for a period not to exceed ninety (90) days. During the 90 day period, in accordance with Onshore Order No. 7, an application for approval of a



permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

 Provide a plan for eventual disposal of drilling fluids and any produced oil or water recovered during testing operations. <u>Haul off</u>
 All fluids will be hauled off by Ace Disposal & MCMC for disposal.

After initial clean up period, a 300 bbls tank will be installed to contain produced waste water. This water will be transported from the 300 bbl tank to Dominion Exploration & Production, Inc. disposal well located at RBU 16-19F for disposal.

*Burning will not be allowed. All trash must be contained in a trash cage and hauled away to an approved disposal site at the completion of the drilling activities.

c. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completing of wells with the NBU. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completing of wells within the NBU. Specific APDs shall address any modifications from this policy.

On BLM administered lands:

The reserve pit shall be constructed so as not to leak, break, or allow discharge.

The reserve pit shall be lined with a 12 mil pit liner only under the following conditions:

- 1. If we have to blast the pit, or
- 2. If the non-blasted pit will not hold fluid.

If these conditions do not exist, we will not line the pit.

If a plastic nylon reinforced liner is used, it will be a minimum of 12 mil in thickness.

After first production, produced waste water will be confined to a lined pit or storage tank for a period not to exceed ninety (90) days. During the 90 day period, in accordance with NTL-2B, an application for approval of a permanent disposal method and location, along with required water analysis, shall be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

8. Ancillary Facilities

Camp facilities or airstrips will not be allowed unless otherwise approved.

- 9. Well Site Layout--provide a plat (not less than 1" = 50') showing:
 - a. Cross-sections of proposed drill pad with approximate cuts and fills and the relation to topography.



- Location of mud tanks, reserve, and flare pits, pipe racks, living facilities, and soil
 material stockpiles, etc. (Approval as used in this section means field approval of
 location.)
- c. Rig orientation, parking areas, and access roads, etc.

The reserve pit will be located on the: South side of location.

The flare pit will be located downwind of the prevailing wind direction on the <u>South side</u> of location a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled topsoil (first four inches) will be stored on the: West end of the location.

Access to the well pad will be from the: North

Diversion ditch(es) shall be constructed on the _____(NA) _____side of the location (above / below) the cut slope, draining to the _____(NA) _____.

Soil compacted earthen berm(s) shall be placed on the _____(NA) _____side(s) of the location between the _______(NA) _____.

The drainage(s) shall be diverted around the ______(NA) ______side(s) of the well pad location.

The reserve pit and/or pad location shall be constructed long and narrow for topographic reasons ________(NA) _____.

Corners 6 & 8 _____ of the well pad will be rounded off to minimize excavation.

Fencing Requirements

All pits will be fenced according to the following minimum standards:

- a. 39-inch net wire shall be used with at least one stand of barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- b. The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.
- c. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- d. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- e. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and upon completion of construction the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguard (shall/shall not) be permanently mounted on concrete bases. Prior to a new road, crossing any fence located on federal land, or any fence between federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. Plans for Restoration of Surface

a. Producing Location

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within ______6 months___ from the date of well completion. Before any dirt work takes place, the reserve pit must be completely dry and all cans, barrels, pipe, etc., will be removed.

Contact appropriate surface management agency for required seed mixture.

b. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and BLM will attach the appropriate surface rehabilitation conditions of approval.

11. Surface Ownership:

Access Road: _	Bureau of La	nd Management	Location:	Bureau of L	<u>and</u>
Management					
"If the access ro	ad and/or location	involves private	or state agenc	y owned surfac	e, a
copy of the surface	ce owners agreem	ent is required prid	or to approval o	of the APD."	

12. Other Additional Information

a. The Operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or



archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
- -a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible to mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- b. The operator will control noxious weeds along right-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- c. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)
- d. 4" pipeline is proposed to run approximately 200' and run parallel to the access road until it ties into the main gathering system.

Additional Surface Stipulations

_	<u>(NA)</u> No	construction	or	drilling	activities	shall	be	conducted	between
	and _			beca	ause of				
_	<u>(NA)</u> No s	urface occupan	icy will	be allow	ved within 1	,000 feet	of any	/ sage grouse	strutting
	groui	nd.							
	<u>(NA)</u> No	construction or	exploi	ation act	ivities are p	ermitted v	within '	1.5 mile radius	s of sage
	grous	se strutting grou	ınds fro	m April 1	to June 30.	•			
		ere shall be no			ance within	600 feet	of live	e water (includ	les stock
	tanks	s, springs, and g	uzzler	s).					
	<u>(NA)</u> No	cottonwood tree	es will l	oe remov	ed or damaç	ged.			

(NA) A silt catchment dam and basin will be constructed according to BLM specifications, where flagged.

13. Lessee's or Operators Representative and Certification

Representative

Name:

Mitchiel Hall

Address:

P.O. Box 1360, Roosevelt, UT 84066

Phone No:

(435) 722-4521

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

A complete copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

The operator or his/her contractor shall contact the BLM Office at (801) 789-1362 forty-eight (48) hours prior to construction activities.

The BLM Office shall be notified upon site completion prior to moving on the drilling rig.

Certification:

November 20, 2002

Date

Man McNally, Drilling/Completions Manager

CONFIDENTIAL

Name **a**nd Title

Onsite Date:

Participants on Joint Inspection

Stan Olmstad
Ed Trotter
Chuck Wise
Brent Stubbs
Gary Streeter

Bureau of Land Management
Consultant for Dominion
Jackson Construction
Stubbs & Stubbs Construction
UELS

DOMINION EXPLR. & PROD., INC.

FEDERAL #2-29E LOCATED IN UINTAH COUNTY, UTAH SECTION 29, T10S, R19E, S.L.B.&M.

CONFIDENTIAL

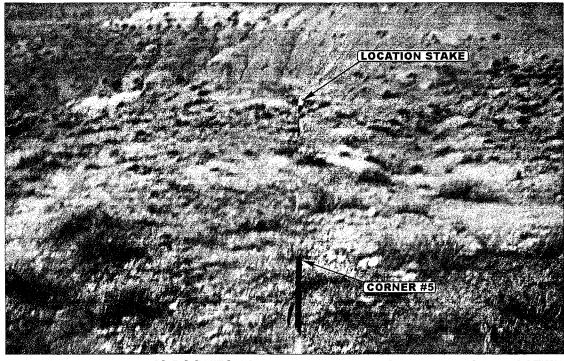


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

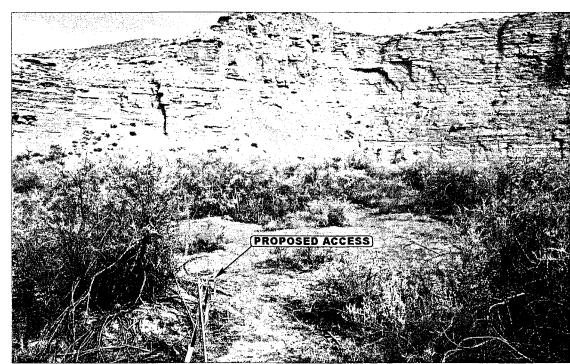


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: EASTERLY

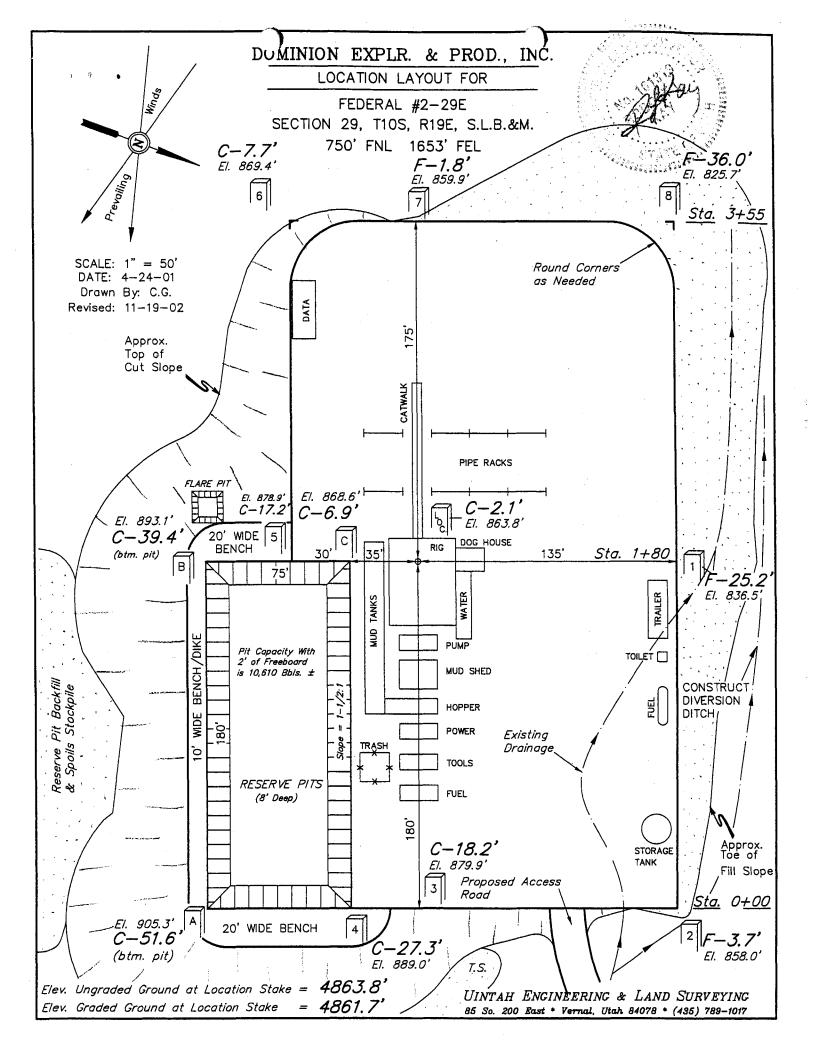


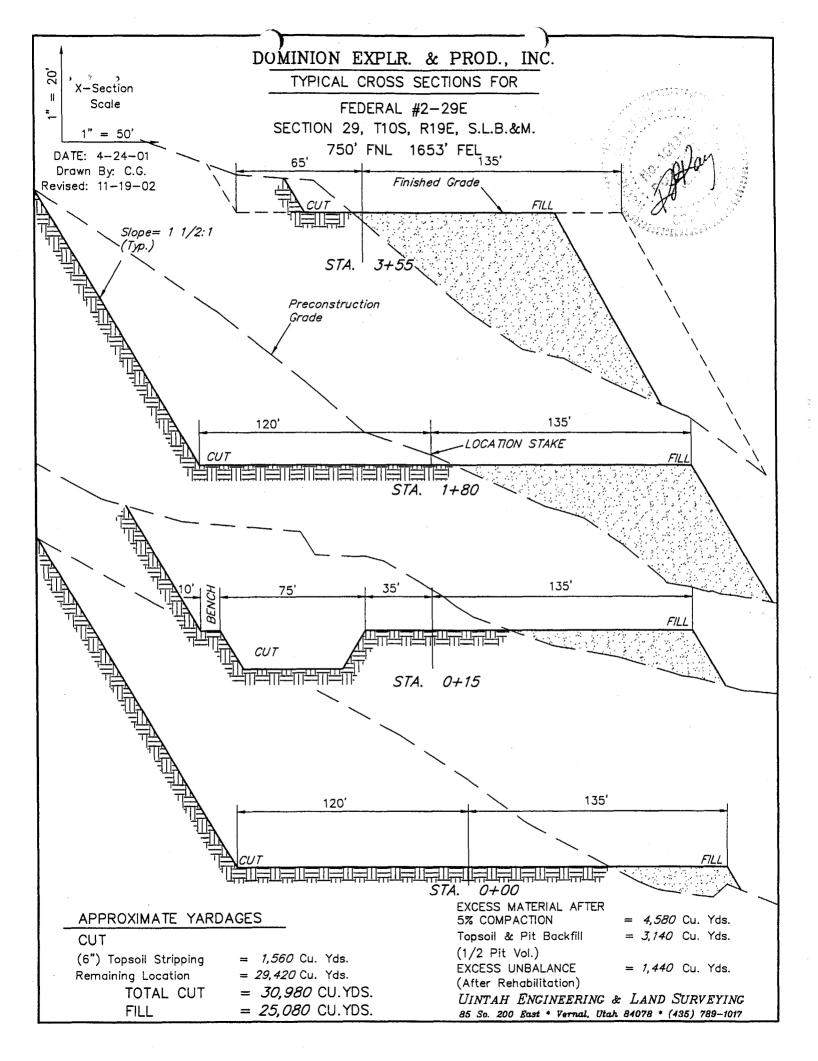
Uintah Engineering & Land Surveying S South 200 East Vernal, Utah 84078 435-789-1017 uels@uelsinc.com

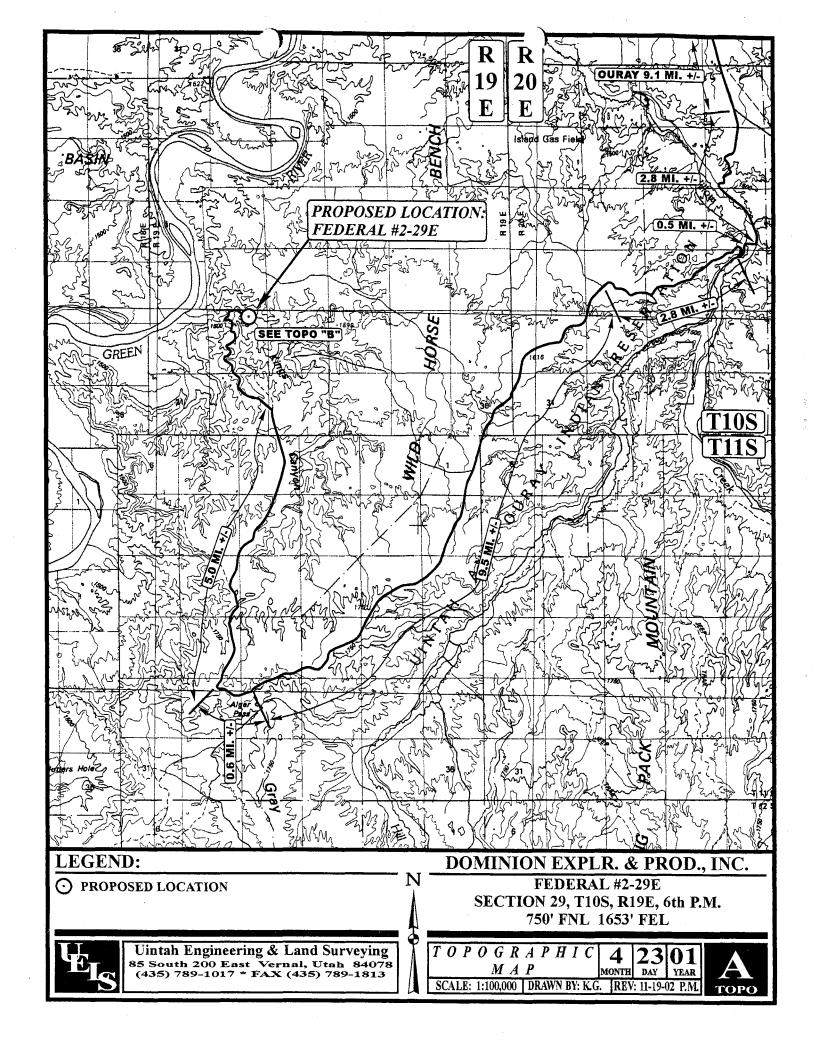
LOCATION PHOTOS

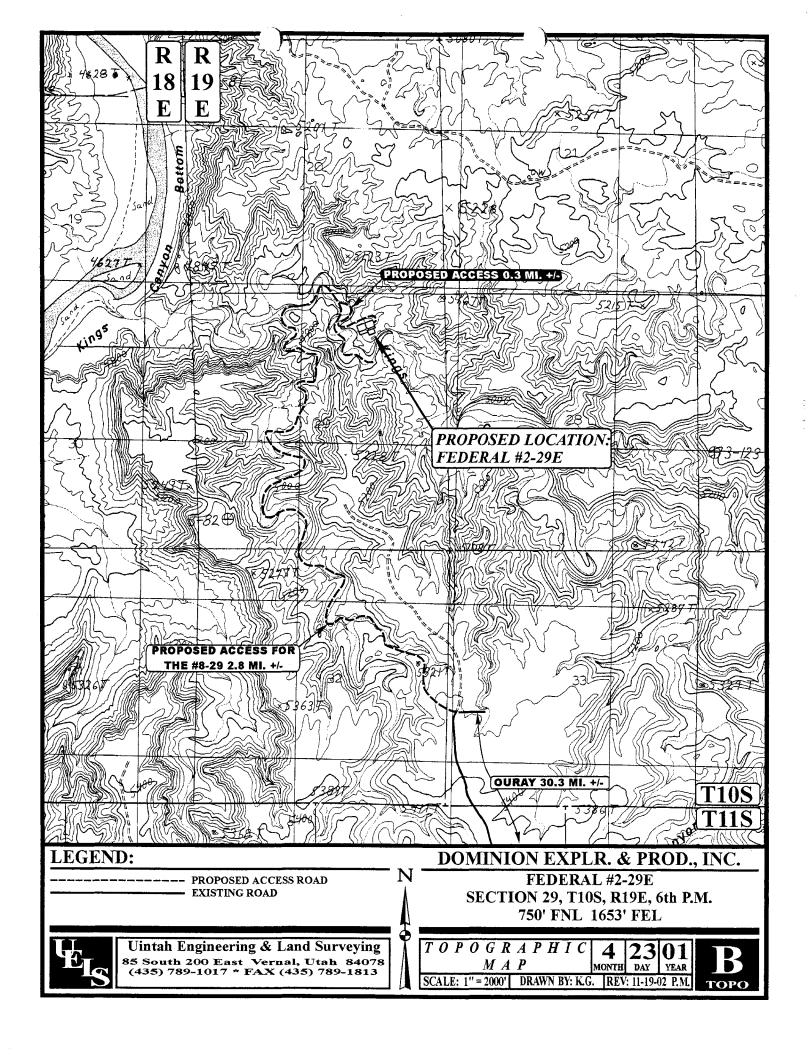
MONTH DAY TAKEN BY: D.K. DRAWN BY: K.G. REV: 11-19-02 P.M.

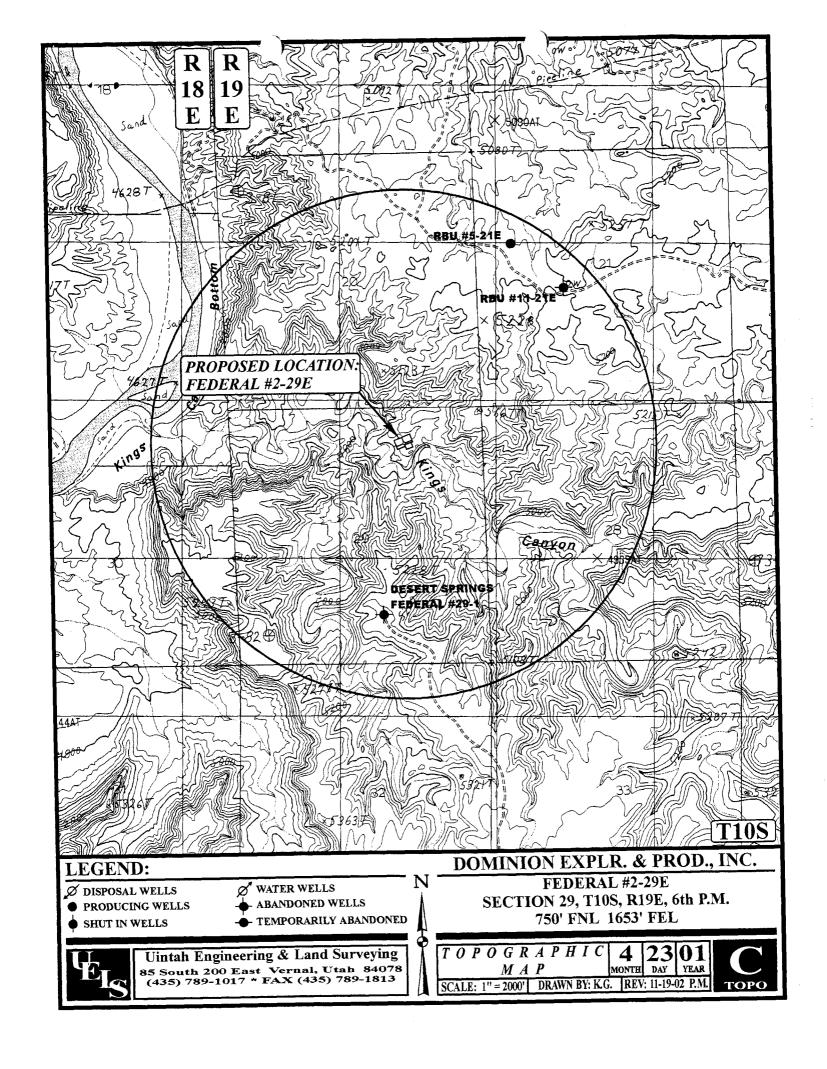
РНОТО

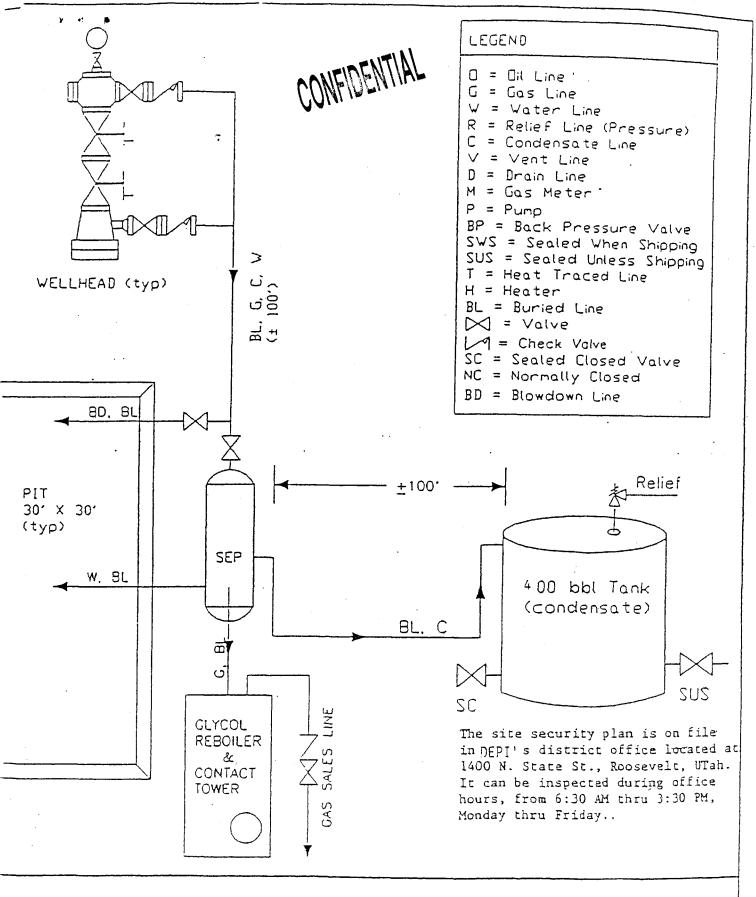












DOMINION EXPLORATION & PRODUCTION, INC.

'ell:	RIVER BEND FIELD, UINTA COUNTY	not to scale
N XBUN FLOW I SEP	TYPICAL FLOW DIAGRAM	date: //

SELF-CERTIFICATION STATEMENT



Under Federal regulation, effective June 15, 1988, designation of operator forms are no longer required when the operator is not the 100% record title holder. An operator is now required to submit a self-certification statement to the appropriate office stating that said operator has the right to operate upon the leasehold premises. Said notification may be in the following format:

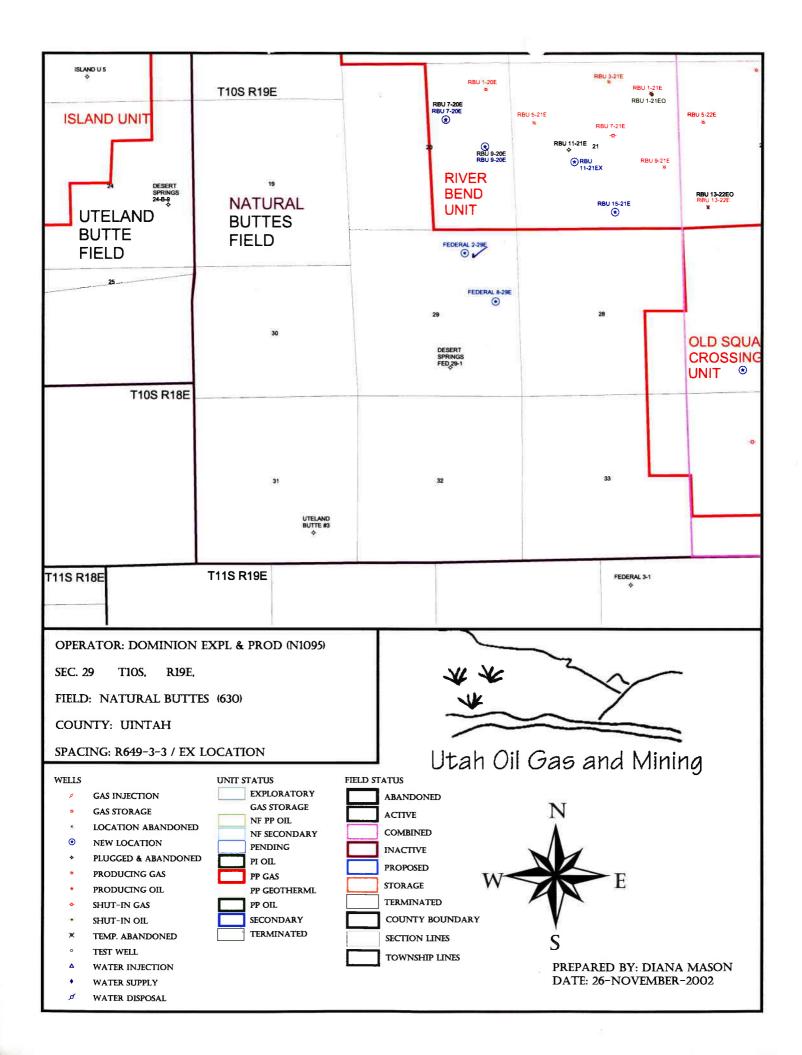
Please be advised that **Dominion Exploration & Production**, Inc. is considered to be the operator of Well No. 2-29E, located in the NW ¼ NE ¼ of Section 29, T10S, R19E in Uintah County; Lease No. U-62232; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Travelers Casualty ad Surety Company of America, Bond #76S 63050 0330.

Carla Christian

Regulatory Specialist

) WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 1	1/22/2002	API NO. ASSIGN	ED: 43-047-3480	3	
	RAL 2-29E NION EXPL & PROD (N1095) A CHRISTIAN	PHONE NUMBER: 4	05-749-5263		
PROPOSED LOCATION	N: 100S 190E	INSPECT LOCATI	I BY: / /		
SURFACE: 075	0 FNL 1653 FEL	Tech Review	Initials	Date	
BOTTOM: 075	50 FNL 1653 FEL	Engineering			
	CS (630)	Geology			
LEASE TYPE:	1 - Federal	Surface			
LEASE NUMBER: U-62232 SURFACE OWNER: 1 - Federal		LATITUDE: 39.92307			
PROPOSED FORMATI	ON: MVRD	LONGITUDE: 109.	00143		
(No. 76S6) Potash (Y Ni Oil Shale Water Perm	1] Ind[] Sta[] Fee[] 30500330	R649-3-3. The second control of the sec	General From Qtr/Qtr & 920' Exception	Between Wells	
COMMENTS:					
STIPULATIONS:	1-federal approval 2-Spacing Stip				





Michael O. Leavitt
Governor
Robert L. Morgan
Executive Director
Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 (801) 538-5340 telephone (801) 359-3940 fax (801) 538-7223 TTY www.nr.utah.gov

November 27, 2002

Dominion Exploration & Production, Inc. 14000 Quail Springs Parkway, Suite 600 Oklahoma City, OK 73134

Re:

Federal 2-29E Well, 750' FNL, 1653' FEL, NW NE, Sec. 29, T. 10 South, R. 19 East,

Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-34803.

Sincerely,

John R. Baza

Associate Director

pb

Enclosures

cc:

Uintah County Assessor

Bureau of Land Management, Vernal District Office



Operator:	Dominion Exploration & Production, Inc.			
Well Name & Number		Federal 2-29E		
API Number:		43-047-34803		
Lease:		U-62232		
Location: NW NE	Sec. 29	T. 10 South	R. 19 East	

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Form 3160-5 (Aug. 151, 1999)

UNIT. STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0135

Expires: November 30, 2000

5. Lease Serial No.

006

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

U-62232
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLI	CATE - Other Instructions on reverse side	7. If U	nit or CA/Agreement, Name and/or No.	
1. Type of Weil	CONFIDENT	A Wel	Name and No.	
Oil Well X Gas Wel	Other CUNFIDEINI	AL		
2. Name of Operator			Federal 2-29E Well No.	
Dominion Exploration & Production, Inc.			43-047-34803	
3a. Address Suite 600 3b. Phone No. (include area code) 14000 Quail Springs Parkway, OKC, OK 73134 (405) 749-5263		CORD.	ld and Pool, or Exploratory Area	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)			Natural Buttes	
			unty or Parish, State	
750' FNL & 1653' FEL, Sec. 29-10S-19E			Uintah, UT	
12. CHECK APPROPRIATE	BOX(ES) TO INDICATE NATURE OF N	OTICE, REPORT O	R OTHER DATA	
TYPE OF SUBMISSION	ТҮРЕ	OF ACTION		
Notice of Intent	Acidize Deepen	Production (Start/Res	ume) Water Shut-Off	
	Altering Casing Fracture Treat	Reclamation	Well Integrity	
Subsequent Report	Casing Repair New Construction	Recomplete	X Other	
	Change Plans Plug and Abandon	Temporarily Abandon	Request for extension.	
Final Abandonment Notice	Convert to Injection Plug Back	Water Disposal		
testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.) The state approved APD for this well expires on November 27, 2003. Dominion Exploration & Production, Inc. is still waiting for BLM approval, therefore Dominon is requesting a one year extension. Approved by the Utah Division of Oil, Gas and Mining Oil, Gas and Mining 14. I hereby certify that the foregoing is true and correct				
Name (Printed/Typed)	M and correct	1		
Carla Christian	7	Title Re	gulatory Specialist	
Signature ()	rustian		/18/2003	
THIS SPACE FOR FEDERAL OR STATE OFFICE USE				
Approved by		Title	Date	
	d. Approval of this notice does not warrant or quitable title to those rights in the subject lease ct operations thereon.	Office		
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the				

RECEIVED

NOV 2 1 2003

Application for Permit to Drill Request for Permit Extension

Validation (this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-34803 Well Name: Federal 2-29E				
Location: Section 29-10S-19E, 750' FNL & 1653' FEL Company Permit Issued to: Dominion Exploration & I Date Original Permit Issued: 11/27/2002	Production, Inc.			
The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.				
Following is a checklist of some items related to the a verified.	application, which should be			
If located on private land, has the ownership changed agreement been updated? Yes₁¹No□	d, if so, has the surface			
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☑				
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes□ No ☑				
Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes□No ☑				
Has the approved source of water for drilling changed? Yes□No☑				
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes□No☑				
Is bonding still in place, which covers this proposed well? Yes ☑ No □				
Carla Christian	11/18/2003			
Signature	Date			
Title: Regulatory Specialist				
Representing: Dominion Exploration & Production, Inc.				



State of Utah

Department of Natural Resources

ROBERT L. MORGAN Executive Director

Division of Oil, Gas & Mining

LOWELL P. BRAXTON Division Director OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

October 26, 2004

Don Hamilton Dominion Expl & Prod Inc. 14000 Quail Springs Parkway Oklahoma City, OK 73134

Re:

APD Rescinded – Federal 2-29E Sec. 29, T.10S, R. 19E Uintah County, Utah API No. 43-047-34803

Dear Mr. Hamilton:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on November 27, 2002. On December 1, 2003, the Division granted a one-year APD extension. On October 26, 2004, the Division received a sundry notice from you requesting that the Division rescind the approved APD.

No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective October 26, 2004.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Dana Whitney

Engineering Technician

cc: Well File

Bureau of Land Management, Vernal



008



IN REPLY REFER TO: 3160 UT08300

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office 170 South 500 East Vernal, UT 84078 (435) 781-4400 Fax: (435) 781-4410



March 4, 2005

Carla Christian Dominion Expl. & Prod., Inc. 14000 Quail Springs PKWY #600 Oklahoma City, OK 73134-2600

43.047.34803 Re: Wells: Federal 2-29E,

Federal 8-29E

NE 1/4, Sec. 29, T10S, R19E

Uintah County, Utah Lease No. U-62232

Dear Ms. Christian:

The Applications for Permit to Drill (APDs) the above referenced wells submitted November 26, 2002, are being returned unapproved per Sundry Notice submitted November 3, 2004. If you intend to drill at these locations at a future date, new APDs must be submitted.

If you have any questions concerning APD processing, please contact me at (435) 781-4497.

Sincerely,

Leslie Wilcken

Legal Instruments Examiner

estie Wilchen

cc: UDOGM

RECEIVED
MAR 0 / 2005

DIV. OF OIL, GAS & MINING